

At ETCH Sourcing, we're creating connections between sourcing and an open-sourced toolbox full of sustainable procurement (SP) opportunities that can guide supply chain and sustainability professionals through each step of the procurement process, with a respective UN Sustainable Development Goal in mind.

Organized by spend category and in line with the UN Standard Products and Services Code, our SPARK Series highlights some of the most innovative opportunities in Supply Chain.



## Category Focus: Medical Equipment


Masks – Surgical Equipment – Gowns – Sterilization Equipment – Gloves

### Industry Quick Facts – click on each icon to navigate to the relevant industry source

Plastics make up **15-25%** of all hospital waste



Healthcare is responsible for **4.6% of Canada's total GHG emissions**

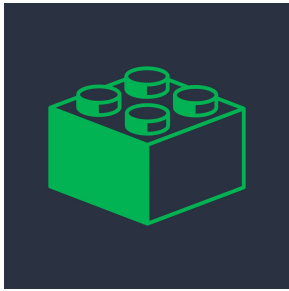


**23,000 life years lost annually** due to Canadian healthcare GHG emissions



### Quick Win SP Opportunities

Actionable Opportunity	Tangible Benefits	Measure Success
<p><b>1</b> Work with <b>suppliers with reusable medical textile options</b> over single-use pre-and-post surgery textiles.</p>	<ul style="list-style-type: none"> <li>Improved buying practices and inventory visibility, benefitting business spend.</li> <li>Increase supplier alignment with organizational goals.</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate overall reduction in waste compared to life cycle footprint of laundered textiles</li> <li>Sustainable supplier development</li> </ul>
<p><b>2</b> Use <b>Standardized Environmental Criteria</b> in purchasing practices, such as Total Cost of Ownership (TCO) reporting.</p>	<ul style="list-style-type: none"> <li>TCO reporting enables purchasing visibility and achieves cost-saving through reduced operating and disposal spend.</li> </ul>	<ul style="list-style-type: none"> <li>Trackable carbon reduction per units of products purchased</li> <li>Product quality maintained during lifetime use</li> </ul>
<p><b>3</b> Require proof of <b>RoHS (Restriction of Hazardous Substances)</b> compliance from suppliers.</p>	<ul style="list-style-type: none"> <li>↓ amount of halogen, lead, and silicon from procured electronics.</li> <li>Proactively reduce toxic waste in environment.</li> </ul>	<ul style="list-style-type: none"> <li>Regular conflict mineral reporting to improve risk management</li> <li>Improved hazardous waste material ratios</li> </ul>



# Procurement Disruption in Action: Medical Equipment



While blue wrap is recyclable, it cannot be reused for hygienic purposes in medicine. Procuring and implementing a rigid reusable sterilization container system is a sustainable alternative, that can save long term costs while maintaining proper sanitization standards.

## SP Process Guide

### Category Management

#### Assessment

- Calculate** the total life cycle cost of blue wrap and predicted cost of sterilization containers (purchase cost, deployment cost, maintenance cost, disposal cost)
- Define** needs, requirements and usage frequency for the equipment in operations; the healthcare industry has a high barrier to entry due to safety and complex policies.
- Assess** the use case of switching to rigid reusable sterilization containers, comparing total life cycle costs and requirements of both alternatives.

#### Opportunity Identification

Commercial Value – Converting from disposable wrap to reusable sterilization containers is an enormous opportunity for savings in inventory reduction, decrease in repair and replacement of surgical devices, reduced labor, and reduced consumables.

Sustainability Value – By replacing the blue wrap with rigid reusable containers, reduces the overall waste drastically

### Strategic Sourcing

#### Strategy Build & Execution

- Align with your purchasing team to switch from blue wrap to containers and develop a budget for product needs (volume and budget for purchases).
- Prepare an EOI or RFQ with the potential and current supplier to request proposals for reusable sterilization containers. Require disclosures of appropriate certifications and product specifications. Include local and diverse suppliers and consider requesting prices at different volumes to determine the cost avoidance of purchasing in bulk.

#### Supplier Negotiation & Contract

Negotiate with suppliers on value-added components in their service, including shipping and handling and recycling. Ask the supplier for visibility into material reporting. If commercially feasible, consider negotiating an end of life buy back program with the supplier. Depending on the OEM or reseller, they may be able to offset costs by reusing raw materials in the end-of-life product.

### Sustainment

#### Supplier Performance & Relationship Management:

Perform Total Cost of Ownership (TCO) analysis: analysis should consider the decontamination and washing impact of the number of rigid sterilization sets within a certain timeframe. Return on Investment is based on the average number of uses usage per set per week or month. The Instrument protection: calculate the costs for repair and replacement of delicate instruments and the savings to be obtained when instruments are protected in sealed container systems with protective inserts.

## In Practice: Change in Action

*Toronto Western hospital was able to **save \$750,000 in four months, by reducing their disposables usage by 30% in surgical suites, putting them at a surplus to hire more staff and perform more surgeries.***

*click icon for source*

